

Cornwall Capital Management LP

Part 2A of Form ADV

The Brochure

One Rockefeller Plaza, 24th Floor
New York, NY 10020
1-646-502-8980

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This brochure provides information about the qualifications and business practices of Cornwall Capital Management LP (“Cornwall” or the “Advisor”). If you have any questions about the contents of this brochure, please contact us at 646-502-8980. Cornwall’s Chief Compliance Officer, Ian Haft, can be reached directly at 917-639-5438. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Cornwall is also available on the SEC’s website at: www.adviserinfo.sec.gov.

Item 2. Material Changes

This brochure contains information about Cornwall as of September 2012 and has been updated to account for changes since Cornwall first registered with the SEC. As of August 1, 2012, Mr. Hockett became an employee of Cornwall upon returning to the United States. Mr. Hockett acts as Chief Risk Officer, Head Trader and is a member of the Advisor's Investment Committee. Prior to August 1, Mr. Hockett had been employed by Mirabella Financial Services LLP ("Mirabella"), a sub-advisor of the Private Funds, where he performed these same functions. As Mr. Hockett was the only Mirabella employee working on behalf of Cornwall, Cornwall has terminated its sub-advisory relationship with Mirabella as of July 31, 2012 as it is no longer needed.

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Item 4. Advisory Business

Cornwall Capital Management LP ("Cornwall" or the "Advisor") was formed in 2010 by James Mai, Principal and Chief Investment Officer, and is 100% owned by Mr. Mai and his wife. In 2002, prior to the formation of Cornwall, Mr. Mai founded Cornwall Capital, Inc., an investment adviser that administers and manages the Mai family's liquid assets.

Cornwall provides investment management services to private pooled investment vehicles ("Private Funds" or the "Funds" or individually, a "Fund") offered to investors on a private placement basis. The investment vehicles are structured as a U.S. limited partnership and a Cayman Islands Exempted Company. Investments in Cornwall Domestic LP and Cornwall Offshore Ltd, via Cornwall Intermediate LP (collectively, the "Feeder Funds") are invested through a "master-feeder" structure in Cornwall Master LP ("Master Fund"). In connection with providing these investment management services, Cornwall has been appointed as investment adviser, and an affiliate services as general partner, with discretionary trading authorization.

Cornwall's investment objective is to generate attractive risk-adjusted absolute returns over a long-term horizon and with low market correlation. The Advisor's investment process identifies market inefficiencies across all asset classes, applying a value-oriented approach to global macro and special situation strategies. The Advisor may trade across all asset classes, market sectors, geographies and security types. Asset classes will include, but will not be limited to, equities, currencies, commodities, fixed income instruments and derivatives on each of the above.

In providing advisory services to the Private Funds, the Advisor formulates the investment objectives, directs and manages the investment and reinvestment of each Fund's assets and provides reports to investors. Investment advice is provided directly to each Fund and not individually to the investors of the Private Funds. Investment advice with respect to the Private Funds is made in accordance with the investment objectives and guidelines as set forth in each Fund's respective offering memorandum.

As of December 31, 2011, Cornwall managed approximately \$410 million on a discretionary basis on behalf of four clients.

Item 5. Fees and Compensation

The fees applicable to the Private Funds are set forth in detail in each Fund's respective offering documents. In general, Cornwall and/or its affiliated General Partner entity ("General Partner") collect an annual 2% management fee based on the value of the Private Funds' net assets. Cornwall generally receives an annual incentive fee or allocation equal to 20% of the net profits (including unrealized gains and losses) of the Funds, if any, subject to a loss carry forward provision. The management fee is paid quarterly in advance while incentive fees or allocations are paid or allocated annually. Investment management fees and performance-based compensation (if applicable) are deducted from the Private Funds' accounts by such fund's administrator upon receiving proper instructions from the Advisor.

Cornwall may in its sole discretion waive or reduce the management and incentive fees or allocations paid to it or the General Partner on a case-by-case basis. Under certain circumstances the Advisor may enter into side agreements with specific investors that may provide for different fees, withdrawal rights, access to information about the Private Funds' investments, or other matters relating to an investment in the relevant Fund.

In addition to management and incentive fees, investors in the Private Funds will bear indirectly the fees and expenses charged to the Private Funds. Those fees and expenses will vary, but typically will include legal, accounting, tax preparation and tax related expenses, auditing or other professional fees, investment expenses such as brokerage commissions, research expenses, investment-related travel expenses, computer software and systems and related technology services, interest on margin accounts and other indebtedness, administrator fees, custodial fees, bank service fees and other reasonable expenses related to the purchase, sale or transmittal of Private Fund assets as shall be determined by the General Partner in its sole and absolute discretion. Investors should review all fees listed in the private placement memorandum or offering memorandum that are charged by Cornwall, its affiliates, and others to fully understand the total amount of fees to be paid by the Private Funds and, indirectly, their investors. The

annual expenses of the Private Funds will be set forth in each Fund's certified annual financial statements, which will be provided to all investors. In addition, Clients will incur brokerage and other transaction costs. Please refer to Item 12 of this Brochure for a discussion of the Advisor's brokerage practices.

Item 6. Performance Based Fees and Side-by-Side Management

As stated in the Fees and Compensation section above, Cornwall and/or the General Partner charge performance based fees which are fees based on a share of capital gains on or capital appreciation of the client's assets.

The fact that the Cornwall and the General Partner are compensated based on the trading profits may create an incentive to make investments on behalf of the Private Funds that are riskier or more speculative than would be the case in the absence of such compensation. Cornwall's personnel are also typically compensated on a basis that includes a performance-based component. In addition, the performance based fee received by Cornwall/General Partner is based primarily on realized and unrealized gains and losses (but excluding any gains and losses with respect to segregated assets). As a result, the Advisor/General Partner may receive a performance allocation reflecting unrealized gains at the end of a year that are not subsequently recognized by the Private Fund. The Advisor will value, or has valued, the securities held by the Private Funds (using readily available market quotations and other commonly used and recognized methods) and will be responsible for the determination of asset valuations for all purposes including the determination of the management fee and the performance allocation. Since Cornwall receives a management fee and performance allocation based on the value of the assets that it manages, Cornwall's involvement in the valuation process presents a potential conflict of interest. Cornwall addresses this conflict of interest by (i) using readily available market quotations and other commonly used and recognized valuation methods to value securities, (ii) consulting with the Funds' third-party administrator regarding valuations and (iii) ensuring that all the Funds are audited by an independent, nationally recognized audit firm.

Item 7. Types of Clients

Cornwall provides investment advice to the Private Funds, subject to the direction and control of the general partner of such fund, and offered to investors on a private placement basis. Investment advice is provided to the Private Funds and not individually to the limited partners. Interests in the investment vehicles are offered and sold exclusively to investors satisfying the applicable eligibility and suitability requirements either in private transactions within the United States or in offshore transactions. Typically, these investors are high net worth individuals, institutions and other entities.

Details concerning applicable suitability criteria are set forth in the respective Fund's offering document and subscription application materials. Cornwall's Private Funds require a minimum initial investment of at least \$10 million, although Cornwall may accept lower amounts at its sole discretion. Each U.S. investor in a U.S. Private Fund must satisfy the suitability requirements under Rule 205-3 under the Investment Advisors Act of 1940, which prescribes certain requirements which must be satisfied in connection with the Advisor's receipt of performance-based compensation.

Item 8. Methods of Analysis, Investment Strategies and Risk of Loss

Cornwall seeks to identify market inefficiencies across all asset classes, applying a value-oriented approach to global macro and special situation strategies. Cornwall will generally pursue investments that provide isolated, uncorrelated and asymmetric risks and will seek to diversify risk across multiple dimensions including asset classes, geographies, directional views and analytical models.

The Investment Committee is responsible for the investment activities for Clients. Cornwall believes that market inefficiencies exist due to a number of factors, including the systematic misapplication of option pricing models, conceptual limitations to modern finance orthodoxy and “institutional imperatives” and cognitive biases. In order to find high expected value investment opportunities, Cornwall will typically look for various signals of market inefficiencies, including, but not limited to (i) under-appreciated fundamental trends, (ii) observable price dislocations, (iii) irregular volatility surfaces or (iv) informational disconnects, within or across markets.

Cornwall’s research process is fundamentals-driven, logically rigorous, and fact-based, and emphasizes probabilistic scenario analysis to evaluate the attractiveness of an investment opportunity. Most research at Cornwall is generated internally. When appropriate, research providers or external expertise will be used to test or deepen Cornwall’s investment analysis. Cornwall will source ideas through a combination of (i) bottom-up analysis, (ii) thesis-driven top-down analysis and (iii) systematic screening for specific security and/or market attributes. Each of these channels will be utilized to identify investment opportunities providing isolated exposure to specific mispriced event risks. From time to time, Cornwall has used back testing to test certain systematic strategies.

Cornwall will seek investment opportunities that have a high expected value, which will typically be the result of asymmetric payouts, i.e., investments for which potential profits are expected to be a significant multiple of the maximum loss. Cornwall will estimate several factors to determine the sizing for a given exposure, including (i) the probability of a positive outcome, (ii) the magnitude of the potential payout and (iii) the potential for an exposure to become correlated with others in the portfolio.

Cornwall will often use derivative securities to express its views, particularly options. Cornwall will purchase both exchange-traded and over-the-counter options. Asset classes for which Cornwall may purchase options will include, and not be limited to, (i) individual equities as well as equity indices, (ii) currencies/foreign exchange, (iii) commodities, commodity futures and other futures, (iv) interest rates and (v) credit.

Cornwall will invest opportunistically, and the universe of eligible investments will not be materially limited by the Fund’s governing documents. For instance, from time to time, Cornwall may allocate capital directly to private companies or other private opportunities through private transactions. Cornwall may also seek to identify and develop new strategies. Because non-traditional strategies may be anticipated to perform better at certain times than others, Cornwall has the flexibility to invest in a strategy when opportunities exist and to reduce exposure to or even eliminate strategies when an investment sector is perceived to be less attractive. Cornwall will not establish fixed guidelines regarding the selection or diversification of the strategies that it

employs in managing the Private Fund's investment program. Cornwall will review and evaluate its trading strategies and portfolio, as well as new potential strategies and investments, on an ongoing basis.

Where appropriate, the Advisor intends, but is not obligated, to provide co-investment opportunities to certain Investors. These co-investment opportunities will be offered as interests in a limited partnership or other similar entity formed for each investment (a "Co-Investment Entity"). Cornwall will offer co-investment interests first to all existing Fund Investors. Cornwall will seek to execute orders for all of the participating investment accounts, including the Private Funds, on a fair and equitable basis, taking into account such factors as the relative amounts of capital available for new investments, relative exposure to short-term market trends, and the investment programs and portfolio positions of the Private Funds and the affiliated entities for which participation is appropriate.

All investing involves a risk of loss and the investment strategies offered by Cornwall could lose money over short or even long periods. Performance could be hurt by a number of different market risks including but not limited to:

- **Market Risks** - The profitability of a significant portion of the investment program depends to a great extent upon correctly assessing the future course of the price movements of securities and other investments. There can be no assurance that the Advisor will be able to predict accurately these price movements. Although the Advisor may attempt to mitigate market risk through the use of long and short positions or other methods, there is always some, and occasionally a significant, degree of market risk.
- **Lack of Diversification** – In the normal course of making investments on behalf of the Private Fund, Cornwall may, but is not obligated to, diversify its investments. At any given time, the Private Fund's portfolio could become significantly concentrated within a particular company, asset or asset class, industry, sector, strategy, currency, country or geographic region, and such concentration of risk may increase the losses suffered by the Private Fund or reduce its ability to hedge its exposure and to dispose of depreciating assets. In addition, it is possible that the General Partner may select investments that are concentrated in a limited number or type of financial instruments or assets. This limited diversity could expose the Private Fund to losses disproportionate to market movements in general if there are disproportionately greater adverse price movements in those financial instruments.
- **Long-Term Investments** - Cornwall expects to pursue investment opportunities for the Private Funds that seek to maximize asset value or create market opportunities on a long-term basis. In pursuing such long-term strategies, the Cornwall may forego value in the short-term or temporary investments in order to be able to avail the Private Funds of additional and/or longer-term opportunities in the future. Consequently, the Private Funds may not capture maximum available value in the short-term, which may be disadvantageous for certain investors.
- **Options** - The Partnership's strategy has historically been effectuated in large part through investments in options, both exchange traded and over-the-counter, and the Partnership will incur risks associated with the purchase and sale of options. The purchase or sale of an option by the

Partnership involves the payment or receipt of a premium payment and the corresponding right or obligation, as the case may be, to either purchase or sell the underlying security or other instrument for a specific price at a certain time or during a certain period. Purchasing options involves the risk that the underlying instrument does not change price in the manner expected, so that the option expires worthless and the investor loses its premium. Selling options, on the other hand, involves potentially greater risk because the investor is exposed to the extent of the actual price movement in the underlying security or other instrument in excess of the premium payment received. The Partnership expects most of its options trading to consist of purchasing put and call options.

- **Derivative Instruments** - The Partnership also will enter into swaps and other derivative instruments. Certain swaps, options and other derivative instruments may be subject to various types of risks, including market risk, liquidity risk, and the risk of non-performance by the counterparty, including risks relating to the financial soundness and creditworthiness of the counterparty, legal risk, and operations risk. In addition, the Partnership may, in the future, take advantage of opportunities with respect to certain other derivative instruments that are not presently contemplated for use or that are currently not available.

- **Non-U.S. Securities** - Foreign securities, foreign currencies, and securities issued by U.S. entities with substantial foreign operations can involve additional risks relating to political, economic, or regulatory conditions in foreign countries. These risks include fluctuations in foreign currencies; withholding or other taxes; trading, settlement, custodial, and other operational risks; and the less stringent investor protection and disclosure standards of some foreign markets. All of these factors can make foreign investments, especially those in emerging markets, more volatile and potentially less liquid than U.S. investments. Emerging markets, in particular, may have less established political and economic structures. Such countries are also more likely to less liquidity or available credit, political or economic instability; less strict securities market regulation; less favorable tax or legal provisions; and a greater likelihood of severe inflation.

- **Small to Medium Capitalization Stocks** - At any given time, Clients may have significant investments in smaller-to-medium sized companies of a less seasoned nature whose securities are traded in the over-the-counter market. These "secondary" securities often involve significantly greater risks than the securities of larger, better-known companies.

- **Currency Risks** - Client investments that are denominated in a non-U.S. currency are subject to the risk that the value of a particular currency will change in relation to one or more other currencies. Among the factors that may affect currency values are trade balances, the level of short-term interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital appreciation and political developments.

The above risks are not intended to serve as an exhaustive list or comprehensive description of all risks that may arise in connection with Cornwall's investment strategy. Investors should review the Private Fund's offering memorandum and other governing documents to understand the risks and potential conflicts of interests involved with Cornwall's strategy.

Item 9. Disciplinary Information

Cornwall and its employees have not been involved in any legal or disciplinary events in the past 10 years that would be material to a client's evaluation of the company or its personnel.

Item 10. Other Financial Industry Activities and Affiliations

Employees of the Advisor may provide administrative, trust and estate planning, tax planning, and advisory services to Cornwall Capital, Inc., an investment adviser that administers and manages the Mai family's assets through various investment vehicles. The investments include non-marketable securities, venture capital and private equity fund commitments, investments into one of the Funds and legacy marketable securities purchased prior to the formation of the Private Funds. As Cornwall Capital, Inc. obtains exposure to the investment strategy of the Private Funds by its investment in one of the Funds, the Advisor does not expect it or the affiliated investment vehicles to pursue similar investment opportunities. Mr. Mai may spend up to 10% of his time on Cornwall Capital, Inc. activities that will not directly benefit the Private funds. Mr. Mai and employees' involvement in Cornwall Capital, Inc. presents a conflict of interest. Cornwall addresses this conflict of interest by subjecting Cornwall Capital, Inc.'s transactions to Cornwall's code of ethics reporting requirements, which are reviewed by the Chief Compliance Officer. In addition, the majority of the Mai family's liquid assets will be invested in the Private Funds.

Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Cornwall has adopted a Code of Ethics pursuant to Rule 204A-1 under the Investment Advisors Act of 1940 that is predicated on the principal that the Advisor owes a fiduciary duty to its Clients. Accordingly, employees of Cornwall must disclose or avoid activities, interests and relationships that run contrary (or appear to run contrary) to the best interest of Clients.

The Code of Ethics also sets forth the standards of conduct expected of the Advisor's personnel and requires an annual acknowledgement and certification stating that each employee has abided by, and will continue to abide by Cornwall's Compliance Manual, which includes the Code of Ethics. The Advisor's personnel are required to promptly report any violations of the Code of Ethics to the Chief Compliance Officer. A copy of the Advisor's Code of Ethics shall be provided to any client or investor upon request.

In order to minimize potential conflicts of interest, employees generally may not purchase or sell securities that are also held by Clients, and must seek pre-approval from the Chief Compliance Officer before purchasing any reportable security. Employees wishing to liquidate positions in their personal accounts that are also positions held in Client accounts must receive pre-approval from the Chief Compliance Officer. Cornwall's restrictions on personal securities trading apply to employees, as well as employees' family members living in the same household.

Also, Cornwall maintains a watch list of securities that are being considered for the Funds, as well as securities already held in the Funds. Any proposed employee transaction involving securities on the watch list requires preclearance from the Chief Compliance Officer. The Chief Compliance Officer does not grant preclearance where it would appear that an employee's trading could disadvantage Cornwall's clients.

Item 12. Brokerage Practices

As noted previously, Cornwall has full discretionary authority to manage Client assets including authority to make decisions with respect to which investments are bought and sold, the amount and price of those securities/investments, the brokers or dealers to be used for a particular transaction, and commissions or markups and markdowns paid. Cornwall's authority is limited by its own internal policies and procedures and each Client's investment guidelines.

In selecting an appropriate broker-dealer to effect a Client trade, Cornwall seeks to obtain best execution, taking into consideration, among other things, the price of a security offered by the broker-dealer, as well as a broker-dealer's full range and quality of services including, among other things, reliability and financial responsibility, execution capability, speed of execution, liquidity, anonymity, geographic location, commission rates, responsiveness to Cornwall, frequency of errors, brokerage and research services provided to Cornwall (e.g., research ideas and analysis), special execution and block positioning capabilities, clearance, and settlement and custodial services. Although the Advisor generally seeks reasonably competitive commission rates, it does not seek formal competitive bidding and does not necessarily direct transactions to brokers that charge the lowest commission rates. The commission rates paid to any broker for execution of transactions will be determined through negotiations with the broker, taking into account industry norms for the size and type of transaction, and the nature of brokerage and research services provided.

Cornwall does not intend to use soft dollars to pay for third-party research or other third-party products. Furthermore, Cornwall will not enter into any third-party soft dollar arrangements without the express approval of the Chief Compliance Officer. Cornwall does pay bundled commission rates and does receive proprietary research from many of its executing and prime brokers. As a result, Cornwall may pay a broker a brokerage commission in excess of that which another broker might have charged for effecting the same transactions, in recognition of the value of the brokerage and research services provided by the broker and used by the client and other accounts managed by Cornwall. In such circumstances, Cornwall endeavors to do so in accordance with the criteria of Section 28(e) of the Securities Exchange Act of 1934 ("Section 28(e)"). Cornwall may also occasionally direct transactions affected on a principal basis to brokers in recognition of the research services provided by that broker. Cornwall believes that in certain circumstances it may be important to its investment decision-making processes to have access to independent research. Some research services furnished by brokers and dealers with whom Cornwall effects securities transactions may be used in servicing all of its accounts and not all such services may be used in connection with all of the accounts which paid commissions to the brokers providing such services.

Generally, research services provided by brokers may include information on the economy, industries, groups of securities, individual companies, statistical information, accounting and tax law interpretations, political developments, legal developments affecting portfolio securities, technical market action, pricing and appraisal services, credit analysis, risk measurement analysis, performance analysis and analysis of corporate responsibility issues. Such research services are received primarily in the form of written reports, telephone contacts and personal meetings with security analysts.

Subject to best execution, Cornwall may effect transactions with certain brokers primarily in consideration for providing research services. Cornwall may allocate brokerage to such firms, provided that the value of any research and brokerage services is reasonable in relationship to the amount of commission paid. While Cornwall tracks internally the amount of commissions paid to various brokers, in no case will Cornwall make binding or informal commitments as to the level of brokerage commissions it will allocate to a broker.

Cornwall maintains policies and procedures to review the quality of broker/dealer executions, including periodic reviews by the Advisor's trading and investment professionals. At least semi-annually, Cornwall considers the amount and nature of research and brokerage services provided by broker-dealers, as well as the extent to which such services are relied upon, and attempts to allocate a portion of the brokerage business of its Clients on the basis of such considerations. Broker-dealers sometimes suggest a level of business they would like to receive in return for the various products and services they provide. Actual brokerage business received by any broker-dealer may be less than the suggested allocation, but can exceed the suggested level, because total brokerage is allocated on the basis of all of the considerations described above. In no case will Cornwall make binding commitments as to the level of brokerage commissions it will allocate to a broker-dealer, nor will it commit to pay cash if any informal targets are not met.

It is the policy of Cornwall to allocate investment opportunities fairly and equitably over a period of time. Cornwall will follow procedures to ensure that allocations do not involve a practice of favoring or discriminating against any Client. Account performance is never a factor in trade allocations. Cornwall, however, will have no obligation to purchase, sell or exchange any security or financial instrument for Clients if Cornwall believes in good faith at the time the investment decision is made that such transaction or investment would be unsuitable, impractical or undesirable for any of the Clients. In making allocation decisions, Cornwall generally considers the following factors, among others: the investment objectives and restrictions of Clients; each Client's account size, diversification, cash availability, and any other relevant factors.

From time to time the Advisor may participate in capital introduction programs arranged by broker-dealers, including firms that serve as prime brokers to a Private Fund. The Advisor may place portfolio transactions for the Private Funds with firms who have made such recommendations or provided capital introduction opportunities, if the Advisor determines that it is otherwise consistent with seeking best execution. In no event will the Advisor select a broker-dealer as a means of remuneration for recommending the Advisor or any Private Fund managed by the Advisor (or an affiliate) or affording the Advisor with the opportunity to participate in capital introduction programs.

The Advisor attempts to minimize trade errors by taking the utmost care in making and implementing investment decisions on behalf of client accounts. The Advisor has controls and procedures in place designed to detect and correct in a timely manner any trade errors that may occur. Trade errors are documented and reported to the Advisor's Chief Compliance Officer, and trade errors are reviewed to assess whether an error was a result of a weakness in internal procedures and controls. If it is determined that a weakness in internal controls caused or contributed to the error, mitigating controls are established to rectify the identified control weakness.

It is the Advisor's policy generally not to reimburse clients for any errors or mistakes with respect to the Advisor's placing or executing trades for the client, as such errors are considered by the Advisor to be a cost of doing business. However, the Advisor will be obligated to reimburse the Client for any trade error resulting from the Advisor's gross negligence or willful misconduct. The Advisor, subject to its fiduciary obligations, will determine whether or not any trade error is required to be reimbursed in accordance with this policy. Any positive trade errors will be for the benefit of the client and not retained by Advisor.

Item 13. Review of Accounts

Cornwall performs various daily, weekly, monthly, and other periodic reviews of the Private Funds. Such reviews are conducted by Cornwall's Chief Investment Officer working together with Cornwall's investment professionals and Chief Compliance Officer. In addition, the research team meets weekly to discuss and evaluate the portfolio.

Investors in the Private Funds receive monthly capital statements and estimates of investment performance that includes summary performance information, a performance attribution analysis, portfolio exposure data, and assets under management information. In addition, Cornwall provides investors with an annual investor letter.

The Private Funds also issue investors tax reports (if applicable) and audited financial statements concerning their respective Funds within 120 days of the end of the Funds' fiscal year.

Item 14. Client Referrals and Other Compensation

There are no sales charges payable to Cornwall in connection with the offerings of interests and shares in the Private Funds. In addition to the previously described products and services that Cornwall receives from prime brokers (e.g. capital introduction), Cornwall has entered, and may again in the future enter, into agreements with placement agents in connection with the solicitation of investors in the Funds and such agreements may provide for payment to the relevant placement agent of a portion of the subscription amount by investors or ongoing payments to the relevant placement agent based upon a percentage of the Management Fee or Incentive Compensation attributable to the investments introduced by such placement agent. Unless otherwise expressly disclosed to an investor, any fees paid to placement agents that are paid by a Fund will offset the Management Fee and Incentive Fee Compensation otherwise payable to Cornwall. If a subscriber is introduced to the Funds through a placement agent, the arrangement, if any, with such placement agent will be disclosed to, and acknowledged by, the subscriber.

Cornwall may charge portfolio companies transaction fees, break-up fees, set-up fees, advisory fees, acquisition fees, financial fees, consulting fees, monitoring fees, commitment fees, and other similar fees.

Item 15. Custody

All client assets are held in custody by unaffiliated broker/dealers or banks; however Cornwall may be deemed to have custody of certain Client assets since an affiliate serves as the general partner for certain of the Private Funds. Investors of a limited partnership or other investment

vehicle will not receive statements from the custodian regarding underlying portfolio positions. Instead the Private Funds are subject to annual audits and the audited financial statements are distributed to each investor. The audited financial statements will be prepared in accordance with generally accepted accounting principals and distributed within 120 days of the Private Funds' fiscal year end.

Item 16. Investment Discretion

As noted previously, Cornwall has full discretionary authority to manage Clients' assets including authority to make decisions with respect to which securities are bought and sold, the amount and price of those securities, the brokers or dealers to be used for a particular transaction, and commissions or markups and markdowns paid. Cornwall's authority is limited by its own internal policies and procedures and each Client's investment guidelines. Prior to assuming discretion in managing a Client's assets, the Advisor enters into an investment management agreement or other agreement that sets forth the scope of the Advisor's discretion.

Item 17. Voting Client Securities

The Securities and Exchange Commission adopted Rule 206(4)-6 under the Investment Advisors Act of 1940, which requires registered investment advisers that exercise voting authority over client securities to implement proxy voting policies. Cornwall has adopted proxy voting policies and procedures which are designed to maximize the value of investments for Clients while avoiding conflicts of interest. All proxies that Cornwall receives will be treated in accordance with its policies and procedures. A copy of Cornwall's written proxy voting policies and procedures, as well as a record of how Cornwall has voted in the past, will be maintained and available for review upon written request.

From time to time, Cornwall may receive notices or initiate claims regarding class action lawsuits involving securities that are or were held by the Funds. Cornwall reserves the right to serve as the lead plaintiff in class action matters. Cornwall may refrain from submitting proofs of claim where it believes that either the recovery amounts are likely to be negligible or it cannot be assured of confidential treatment of the data submitted in connection with the proof of claim.

Item 18. Financial Information

A balance sheet is not required to be provided as Cornwall (i) does not solicit fees more than six months in advance, (ii) does not have a financial condition that is likely to impair its ability to meet contractual commitments to clients or (iii) has not been subject to any bankruptcy proceeding during the past 10 years.